



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

March 30, 2004

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From: David E. Janssen
Chief Administrative Officer

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Director and Chief Medical Officer

Richard Shumsky
Chief Probation Officer

Bryce Yokomizo
Director, Public Social Services

**IMPACT OF THE GOVERNOR'S PROPOSED BUDGET ON THE SAFETY NET IN
THE COUNTY OF LOS ANGELES**

The Governor's Proposed Budget contains a number of proposals that will affect the most vulnerable populations and communities in Los Angeles County. Viewed by itself, each of the proposals is understandable in light of the State's budget situation. Viewed collectively, however, the proposed reductions in health and human services, juvenile justice, and general government would result in increased burdens on our neediest residents and weaken the County's capacity to provide them with assistance. The following provides details on some of the most significant impacts.

Protecting Investments in Health

More than two million County residents are uninsured, and approximately one million more are underinsured with limited access to health services. Budget proposals to cap enrollment in programs that provide essential health care services would make a bad

situation even worse. On an annual basis, nearly 45,000 children could be prevented from enrolling in Healthy Families, medically vulnerable children would be placed on a wait list for California Children's Services (CCS), and by the end of this year, approximately 1,620 individuals would be on a wait list for the AIDS Drug Assistance Program (ADAP), unable to access life-sustaining medication. If adopted, these proposals would reverse the progress that California has made in reducing the number of uninsured children, weaken California's longstanding commitment to provide care to children with congenital and disabling conditions, and deny access to life-extending treatment for persons with HIV.

Maintaining Critical Social Services

Over 1.6 million County residents live in poverty, including over 600,000 children. A safety net consisting of income and food assistance, as well as targeted social services, is essential to stabilize the lives of the County's poor children, families, and vulnerable adults, and provide them with an opportunity to become self-sufficient. Budget proposals that restrict the County's ability to help parents move from welfare to work, make assistance to children subject to sanctions and time limits, and reduce the amount of grants, will have significant negative consequences on needy families and will almost certainly lead to an increase in the more than 3,400 homeless CalWORKs families in the County. Proposed reductions in Food Stamp assistance will increase the estimated 770,000 adults in the County who worry whether they will have enough food each day. And, elimination of the IHSS Residual Program will result in the denial or disruption of cost-effective, home-based support services to over 20,000 vulnerable persons, many of whom are likely to end up in far more costly hospitalizations or nursing home stays.

Helping Juvenile Offenders

Over 30,000 juvenile offenders are supervised by the County Probation Department annually, including 4,500 in 18 residential camps and the Dorothy Kirby Center. The camps allow the County to hold chronic offenders accountable, while seeking to stabilize their lives through counseling and educational services, including vocational skills. The County's probation camps are a cost-effective way to help troubled youth straighten out their lives at far less cost to taxpayers than commitment to the California Youth Authority (CYA). The Administration's proposal to eliminate TANF funding for juvenile probation – a loss of \$83 million annually to the County – would force the closure of these facilities and result in the commitment of approximately 1,000 youths to CYA and the placement of 1,000 in group homes. Because of the higher costs and longer average length of CYA commitments and group home placements, by the first full year this curtailment is in effect – FY 2005-06 – the State's increased costs will exceed its projected savings by over \$30 million.

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Assuring Livable Communities

The County's library system serves more than 2.5 million borrowers who make 11 million visits annually. The County also operates 80 local and community parks offering social, recreational, and cultural benefits to almost 10 million County residents. The Administration's proposal to take over \$300 million of property taxes from the County could result in an \$8 million dollar reduction in library services, causing the closure of 16 libraries, as well as a 29 percent reduction in library service hours. In addition to the closure of six or more parks, recreational programs that provide a safe, neighborhood opportunity for needy children and their families to play together and learn social and athletic skills, would have to be sharply reduced. The elimination of services such as tiny tots programs, after-school programs, computer clubs, day camps, and senior programs, to mention just a few, will diminish the quality of life in many of our poorest neighborhoods.

In those cases where there is existing Board policy to maintain the safety net, our Sacramento representatives will oppose these proposals during legislative hearings on the Governor's Budget.

We will continue to keep you advised.

DEJ:GK
MAL:JR:ib

c: Executive Office
 County Counsel
 Department of Health Services
 Department of Public Social Services
 Probation Department